

225045

STATE OF SOUTH CAROLINA

BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

(Caption of Case)

Application of United Utility Companies, Inc.
for Adjustment of Rates and Charges and
Modifications to Certain Terms and Conditions
for the Provision of Water and Sewer Service

COVER SHEET

DOCKET
NUMBER: 2009 - 479 - WS

(Please type or print)

Submitted by: Benjamin P. Mustian, Esquire

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NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

DOCKETING INFORMATION (Check all that apply)

☐ Emergency Relief demanded in petition☐ Request for item to be placed on Commission's Agenda expeditiously☒ Other:

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)		
<input type="checkbox"/> Electric	<input type="checkbox"/> Affidavit	<input checked="" type="checkbox"/> Letter	<input type="checkbox"/> Request
<input type="checkbox"/> Electric/Gas	<input type="checkbox"/> Agreement	<input type="checkbox"/> Memorandum	<input type="checkbox"/> Request for Certification
<input type="checkbox"/> Electric/Telecommunications	<input type="checkbox"/> Answer	<input checked="" type="checkbox"/> Motion	<input type="checkbox"/> Request for Investigation
<input type="checkbox"/> Electric/Water	<input type="checkbox"/> Appellate Review	<input type="checkbox"/> Objection	<input type="checkbox"/> Resale Agreement
<input type="checkbox"/> Electric/Water/Telecom.	<input type="checkbox"/> Application	<input type="checkbox"/> Petition	<input type="checkbox"/> Resale Amendment
<input type="checkbox"/> Electric/Water/Sewer	<input type="checkbox"/> Brief	<input type="checkbox"/> Petition for Reconsideration	<input type="checkbox"/> Reservation Letter
<input type="checkbox"/> Gas	<input checked="" type="checkbox"/> Certificate	<input type="checkbox"/> Petition for Rulemaking	<input type="checkbox"/> Response
<input type="checkbox"/> Railroad	<input type="checkbox"/> Comments	<input type="checkbox"/> Petition for Rule to Show Cause	<input type="checkbox"/> Response to Discovery
<input type="checkbox"/> Sewer	<input type="checkbox"/> Complaint	<input type="checkbox"/> Petition to Intervene	<input type="checkbox"/> Return to Petition
<input type="checkbox"/> Telecommunications	<input type="checkbox"/> Consent Order	<input type="checkbox"/> Petition to Intervene Out of Time	<input type="checkbox"/> Stipulation
<input type="checkbox"/> Transportation	<input type="checkbox"/> Discovery	<input type="checkbox"/> Prefiled Testimony	<input type="checkbox"/> Subpoena
<input type="checkbox"/> Water	<input checked="" type="checkbox"/> Exhibit	<input type="checkbox"/> Promotion	<input type="checkbox"/> Tariff
<input checked="" type="checkbox"/> Water/Sewer	<input type="checkbox"/> Expedited Consideration	<input type="checkbox"/> Proposed Order	<input type="checkbox"/> Other: _____
<input type="checkbox"/> Administrative Matter	<input type="checkbox"/> Interconnection Agreement	<input type="checkbox"/> Protest	
<input type="checkbox"/> Other: _____	<input type="checkbox"/> Interconnection Amendment	<input type="checkbox"/> Publisher's Affidavit	
	<input type="checkbox"/> Late-Filed Exhibit	<input type="checkbox"/> Report	

WILLOUGHBY & HOEFER, P.A.

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July 28, 2010

VIA HAND DELIVERY

The Honorable Jocelyn G. Boyd
Chief Clerk/Administrator
Public Service Commission of South Carolina
Post Office Box 11649
Columbia, South Carolina 29211

RE: Application of United Utility Companies, Inc. for adjustment of rates and charges and modifications to certain terms and conditions for the provision of water and sewer service. Docket No.: 2009-479-WS

Dear Ms. Boyd:

Enclosed for filing please find the original and one (1) copy of the Motion for Issuance of Order Approving Bond Form of United Utility Companies, Inc.

By copy of this letter, I am serving all parties of record in this proceeding with a copy of same and enclose a certificate of service to that effect. I would appreciate your acknowledging receipt of these documents by date-stamping the extra copy enclosed and returning the same to me via my courier.

If you have any questions, or if you need any additional information, please do not hesitate to contact us.

Sincerely,

WILLOUGHBY & HOEFER, P.A.



Benjamin P. Mustian

BPM/cf
Enclosures

cc: Nanette S. Edwards, Esquire
Duke K. McCall, Jr., Esquire
William H. Jordan, Esquire

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2009-479-W/S

IN RE:

Application of United Utility Companies,
Inc. for adjustment of rates and charges
and modifications to certain terms
and conditions for the provision of
water and sewer service.

**MOTION FOR ISSUANCE OF ORDER
APPROVING BOND FORM**

United Utility Companies, Inc. (“UUC” or “Applicant”), by and through its undersigned counsel, and pursuant to 26 S.C. Code Ann. Regs. R. 103-829 (Supp. 2009), moves that the Commission issue an order approving a bond pursuant to S.C. Code Ann. § 58-5-240(D) (Supp. 2009). In support thereof would respectfully show unto the Commission as follows:

1. On November 17, 2009, UUC filed an Application seeking approval of a new schedule of rates and charges for water and sewer services it provides to customers in South Carolina. The Application sought an increase in annual service revenues of \$431,016.

2. On May 17, 2010, the Commission issued its Order No. 2010-375 in which it denied the Company’s application for rate relief pertaining to its water and sewer operations. The Company received this order on May 24, 2010, and on June 14, 2010, UUC filed a Petition for Rehearing or Reconsideration with the Commission (“Petition”).

3. On July 14, 2010, the Commission issued a directive denying the Company’s Petition; however a final order has not yet been issued by the Commission in this regard.

4. The rates resulting from ORS's proposed accounting adjustments and recommended ROE in this matter and the imputation of additional service revenue as set forth in its Petition, *see* Petition at ¶5, would have generated additional revenues to the Company of \$155,713.00.

5. UUC requests that the Commission approve a bond pursuant to S.C. Code Ann. § 58-5-240(D) (Supp. 2009) in the amount of \$311,426.00 pending final issuance of the order denying the petition for rehearing or reconsideration and any subsequent appeal. Attached hereto as Exhibit "A" is a proposed bond form to be executed by a surety company authorized to do business in this state. This figure represents twice the additional annual revenue which would be generated by UUC's currently approved rates and the rates resulting from ORS's proposed accounting adjustments and recommended ROE in this matter and the imputation of additional service revenue as set forth in its Petition. *See* Petition at ¶5. UUC submits that, based upon the additional amount of revenues which would be generated had the Commission approved the requested increase with the adjustments and imputed revenues over a period of two years, a surety bond in the amount proposed is sufficient. UUC therefore requests that the Commission approve the attached bond form to be posted during any appeal by UUC. UUC further requests that the Commission allow UUC to make any refunds required (if the rates put into effect are finally determined to be excessive) by crediting existing customers' bills.

6. UUC submits that the issuance of an order approving its bond is appropriate and warranted in that it protects UUC's right to collect rates under bond under the aforementioned statute but at the same time poses no risk of harm to customers since any rates collected under bond will be subject to refund with interest in the event that any appeal by UUC is unsuccessful. UUC further submits that this Commission has granted such a motion in previous proceedings

involving other water and sewer utilities. *See, e.g.,* Order No. 2007-230, April 5, 2007, Docket No. 2006-92-W/S, *Application of Carolina Water Service, Inc.*

WHEREFORE, having fully set forth its motion, UUC moves the Commission for the issuance of an order a) approving the attached bond form to be conditioned upon the refund by way of credits on existing customers' bills if the rates put into effect are finally determined to be excessive and (b) granting UUC such other and further relief as is just and proper.

Respectfully submitted,



John M.S. Hoefer
Benjamin P. Mustian
WILLOUGHBY & HOEFER, P.A.
Post Office Box 8416
Columbia, South Carolina 29202-8416
803-252-3300

Attorneys for United Utility Companies, Inc.

Columbia, South Carolina
This 28th day of July, 2010.

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2009-479-W/S

IN RE:

Application of United Utility Companies,
Inc. for adjustment of rates and charges
and modifications to certain terms
and conditions for the provision of
water and sewer service.

BOND

KNOW ALL PEOPLE BY THESE PRESENTS, that United Utility Companies, Inc. as principal and _____ Insurance Company, a corporation under the laws of the State of _____, duly authorized to transact business in the State of South Carolina as surety, are held and firmly bound unto the customers of United Utility Companies, Inc. affected by Order No. 2010-375 of the Public Service Commission, dated May 17, 2010, and any Order denying reconsideration thereof, issued in the above-captioned proceeding, for the sum of three hundred eleven thousand four hundred twenty-six and No/100s dollars (\$311,426.00) in lawful money of the United States of America, for payment of which, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the Commission Orders under appeal are ultimately determined to be valid and enforceable, then, United Utility Companies, Inc. hereby promises to refund amounts it has collected in excess of

the amounts finally determined to be correct under the appropriate rate schedules. Any such refunds shall include interest as provided by law.

SIGNED, sealed and dated this _____ day of _____, 2010.

As to Principal

United Utility Companies, Inc.

Witness

ATTEST:

Witness

As to Surety

Insurance Company

Witness

Witness

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA

DOCKET NO. 2009-479-W/S

IN RE:


Application of United Utility Companies,)
Inc. for adjustment of rates and charges)
and modifications to certain terms)
and conditions for the provision of)
water and sewer service.)
_____)

CERTIFICATE OF SERVICE

This is to certify that I have caused to be served this day one (1) copy of the **Motion for Issuance of Order Approving Bond Form** by placing same in the care and custody of the United States Postal Service with first class postage affixed thereto and addressed as follows:

Nanette S. Edwards, Esquire
Office of Regulatory Staff
Post Office Box 11263
Columbia, South Carolina 29211

Duke K. McCall, Jr., Esquire
William H. Jordan, Esquire
Smith Moore Leatherwood, LLP
Post Office Box 87
Greenville, SC 29602



Clark Fancher

Columbia, South Carolina
This 28th day of July, 2010.